

TENNESSEE REGULATORY AUTHORITY

Melvin Malone, Chairman
Lynn Greer, Director
Sara Kyle, Director

460 James Robertson Parkway
Nashville, Tennessee 37243-0505

May 4, 2000

TRANSMITTED VIA FAX
(202 887-0689 / ORIGINAL TO FOLLOW VIA U.S. MAIL

Valerie M. Furman, Esq.
Dickstein, Shapiro, Morin, & Oshinsky, LLP
2101 L Street, NW
Washington, D.C. 20037

RE: Birch Telecom of the South, Inc. (Docket No. 00-00341)

Dear Ms. Furman:

The Tennessee Regulatory Authority requests the following information regarding the Application of Birch Telecom of the South, Inc. for a Certificate of Convenience and Necessity to provide Resold and facilities-based local exchange and interexchange telecommunications services in the State of Tennessee:

Administrative Requirements

Provide an organizational chart of the corporate structure. Additionally, provide the applicants involvement in pertinent mergers, acquisitions, etc.?

Technical Qualifications

Provide the following information regarding the proposed network data:

1. Provide the area coverage: Nashville, Memphis, Knoxville, entire state, etc. Specify which areas will be excluded.
2. Location of switches-i.e., cities.
3. State if there are any CPE (Customer Premise Equipment) requirements that would not be compatible with an incumbent carrier.

Financial Qualifications

Provide the following financial information of the Applicant:

1. Capital Costs budget for the three years including the following:
 - a) Equipment to be deployed.
 - b) Cost of Equipment, network, switches, and unbundled network elements.
 - c) Sources for funding the Tennessee network, equipment, UNEs: cash, loan commitments, vendor credits, letters of credit, etc. (complete detail).
2. The 1999 audited financial statements (Income Statement, Balance Sheet, and Statement of Cash Flows).
3. Projected financial statements (three (3) years).

Telephone (615) 741-2904, Toll-Free 1-800-342-8359, Facsimile (615) 741-5015
www.state.tn.us/tra

POSTED
5-5-00

4. Please quantify amounts included in any of the financial statements and projections relating to reciprocal compensation for terminating ISP traffic.
5. TCA §65-4-123 amendment states that any telecommunications service provider that owns and operates equipment facilities in Tennessee with a value of more than five million (\$5,000,000), shall file with the authority a corporate surety bond or irrevocable letter of credit in the amount of twenty thousand dollars (\$20,000) to secure the payment of any monetary sanction imposed in any enforcement proceeding brought under this title or the Consumer Telemarketing Protection Act of 1990, by or on behalf of the authority. Please include a statement outlining your intent to comply with this statute.

IntraLATA Toll Dialing Parity Plan

Please include information regarding your anti-slamming procedures.

Numbering Issues

Please provide answers to the following questions concerning numbering within your proposed service area.

1. What is your company's expected demand for NXXs per NPA within a year of approval of your application?
2. How many NXXs do you estimate that you will request from NANPA when you establish your service footprint?
3. When and in what NPA do you expect to establish your service footprint?
4. Will the company sequentially assign telephone numbers within NXXs?
5. What measures does the company intend to take to conserve Tennessee numbering resources?
6. When ordering new NXXs for growth, what percentage fill of an existing NXX does the company use to determine when a request for a new NXX will be initiated?

Miscellaneous

1. Sworn pre-filed testimony is needed for CLEC applications. This testimony should describe the services to be provided, the applicant's technical, managerial, and financial abilities to provide the services and affirm that all information submitted is true and correct.
2. Are customer deposits required? If so, amount required? Is the applicant bonded for the amount of the deposits?
3. **Identify all complaints filed with state and federal regulatory agencies involving your company or affiliated entities. Identify the nature of the complaint, which governmental agency or office received the complaint, and how was the complaint resolved?**

Please submit the requested information by May 12, 2000. If you have any questions, please contact this office at (615) 741-2904 (ext. 132).

Sincerely,



David Waddell

Executive Secretary

c: Docket File
Joe Werner
Darlene Standley
Carsie Mundy
Darrell Whitis